



General Assembly

## ***Amendment***

***January Session, 2019***

**LCO No. 9492**



Offered by:

SEN. FASANO, 34<sup>th</sup> Dist.

SEN. WITKOS, 8<sup>th</sup> Dist.

To: Subst. Senate Bill No. **435**

File No. 263

Cal. No. 144

### ***"AN ACT ESTABLISHING A TAX CREDIT FOR EMPLOYERS MAKING EDUCATION LOAN PAYMENTS FOR EMPLOYEES."***

1 Strike everything after the enacting clause and substitute the  
2 following in lieu thereof:

3 "Section 1. Section 12-217g of the general statutes is repealed and the  
4 following is substituted in lieu thereof (*Effective July 1, 2019, and*  
5 *applicable to income or taxable years commencing on or after January 1,*  
6 *2019*):

7 (a) (1) There shall be allowed a credit for any taxpayer against the  
8 tax imposed under this chapter, chapter 228z or chapter 229, other than  
9 the liability imposed by section 12-707, for any income or taxable year  
10 with respect to each apprenticeship in the manufacturing trades  
11 commenced by such taxpayer in such year under a qualified  
12 apprenticeship training program as described in subsection (d) of this  
13 section, certified in accordance with regulations adopted in accordance  
14 with the provisions of chapter 54 by the Labor Commissioner and

15 registered with the Connecticut State Apprenticeship Council  
16 established under section 31-22n, in an amount equal to six dollars per  
17 hour multiplied by the total number of hours worked during the  
18 income or taxable year by apprentices in the first half of a two-year  
19 term of apprenticeship and the first three-quarters of a four-year term  
20 of apprenticeship, provided the amount of credit allowed for any  
21 income or taxable year with respect to each such apprenticeship may  
22 not exceed seven thousand five hundred dollars or fifty per cent of  
23 actual wages paid in such [income] year to an apprentice in the first  
24 half of a two-year term of apprenticeship or in the first three-quarters  
25 of a four-year term of apprenticeship, whichever is less. [(2) Effective  
26 for] For income or taxable years commencing on [and] or after January  
27 1, 2015, for purposes of this subsection, "taxpayer" includes an affected  
28 business entity, as defined in section 12-284b. [Any]

29 (2) (A) For taxable years commencing on or after January 1, 2015,  
30 but prior to January 1, 2019, any affected business entity allowed a  
31 credit under this subsection may sell, assign or otherwise transfer such  
32 credit, in whole or in part, to one or more taxpayers to offset any state  
33 tax due or otherwise payable by such taxpayers under this chapter, or,  
34 with respect to [income] taxable years commencing on or after January  
35 1, 2016, but prior to January 1, 2019, chapter 212 or 227, provided such  
36 credit may be sold, assigned or otherwise transferred, in whole or in  
37 part, not more than three times.

38 (B) For taxable years commencing on or after January 1, 2019, (i) if a  
39 taxpayer is an S corporation or an entity that is treated as a partnership  
40 for federal income tax purposes, the shareholders or partners of such  
41 taxpayer may claim the credit under this subsection, and (ii) if a  
42 taxpayer is a single member limited liability company that is  
43 disregarded as an entity separate from its owner, the limited liability  
44 company's owner may claim the credit under this subsection.

45 (b) There shall be allowed a credit for any taxpayer against the tax  
46 imposed under this chapter for any income year with respect to each  
47 apprenticeship in plastics and plastics-related trades commenced by

48 such taxpayer in such year under a qualified apprenticeship training  
49 program as described in subsection (d) of this section, certified in  
50 accordance with regulations adopted in accordance with the  
51 provisions of chapter 54 by the Labor Commissioner and registered  
52 with the Connecticut State Apprenticeship Council established under  
53 section 31-22n, which apprenticeship exceeds the average number of  
54 such apprenticeships begun by such taxpayer during the five income  
55 years immediately preceding the income year with respect to which  
56 such credit is allowed, in an amount equal to four dollars per hour  
57 multiplied by the total number of hours worked during the income  
58 year by apprentices in the first half of a two-year term of  
59 apprenticeship and the first three-quarters of a four-year term of  
60 apprenticeship, provided the amount of credit allowed for any income  
61 year with respect to each such apprenticeship may not exceed four  
62 thousand eight hundred dollars or fifty per cent of actual wages paid  
63 in such income year to an apprentice in the first half of a two-year term  
64 of apprenticeship or in the first three-quarters of a four-year term of  
65 apprenticeship, whichever is less.

66 (c) There shall be allowed a credit for any taxpayer against the tax  
67 imposed under this chapter for any income year with respect to wages  
68 paid to apprentices in the construction trades by such taxpayer in such  
69 year that the apprentice and taxpayer participate in a qualified  
70 apprenticeship training program, as described in subsection (d) of this  
71 section, which (1) is at least four years in duration, (2) is certified in  
72 accordance with regulations adopted in accordance with the  
73 provisions of chapter 54 by the Labor Commissioner, and (3) is  
74 registered with the Connecticut State Apprenticeship Council  
75 established under section 31-22n. The tax credit shall be (A) in an  
76 amount equal to two dollars per hour multiplied by the total number  
77 of hours completed by each apprentice toward completion of such  
78 program, and (B) awarded upon completion and notification of  
79 completion of such program in the income year in which such  
80 completion and notification occur, provided the amount of credit  
81 allowed for such income year with respect to each such apprentice

82 may not exceed four thousand dollars or fifty per cent of actual wages  
83 paid over the first four income years for such apprenticeship,  
84 whichever is less.

85 (d) For purposes of this section, a qualified apprenticeship training  
86 program shall require at least four thousand but not more than eight  
87 thousand hours of apprenticeship training for certification of such  
88 apprenticeship by the Connecticut State Apprenticeship Council. The  
89 amount of credit allowed any taxpayer under this section for any  
90 income or taxable year may not exceed the amount of tax due from  
91 such taxpayer under this chapter, chapter 228z or chapter 229, with  
92 respect to such income or taxable year."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2019, and applicable to income or taxable years commencing on or after January 1, 2019</i>	12-217g